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# Casey Revived Demoralized CIA

## But Errant Operations Again Embroil Agency

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In six years as director of the Central Intelligence Agency, William J. Casey energetically rebuilt an agency that had been battered by scandal and demoralized by retrenchment. For a time Casey's CIA rode high, but when illness removed him from the agency late last year, it was once again embroiled in scandal caused by covert operations that went astray.

Casey's determination and his ability to respond to the yearnings of President Reagan in the policy arena made him one of the most influential figures in the administration. He used his status as Reagan's 1980 campaign manager and friend to create a special place for himself among the president's associates.

NEWS ANALYSIS

With the Defense Department strongly inclined to avoid military action and a State Department often hesitant to act, Casey's CIA was able to fill a vacuum in the Reagan administration, and play as large a role in foreign policy as it ever has in its 30-year history.

Casey helped formulate what later became known as the Reagan Doctrine—the supposedly covert support operations to aid anticommunist resistance movements. He leaves the CIA with a number of such operations in full swing: Afghanistan, Cambodia, Ethiopia, Angola and Nicaragua.

Casey had an abiding confidence that an intelligence agency could be used to make a difference in the world, and he set out to do so. He nearly tripled the CIA's budget, significantly upgrading its intelligence capabilities and reviving its covert action arm.

"A person with lots of ideas is going to make some mistakes," he once said. "He is going to have some good ideas and some bad ideas . . . . I don't get terribly upset about mistakes." Said one of his senior deputies, "His passion is risk."

Casey's penchant for secrecy and activism—"solutions now," as one of his former deputies calls it—may have helped revive the agency. But they also account for no small part of the Reagan administration's current troubles in the Iran-contra affair. While State and Defense kept their distance from the Iran initiative, Casey understood the president's desires and supported the Iran opening.

Casey seemed at home in an administration that has often improvised its foreign policy initiatives. A former senior national security official in the Reagan White House said, "We have an ad hoc, uncoordinated, let's-try-this, shoot-from-the-hip method of making our national security affairs decisions. Our actions are based primarily upon emotion . . . ."

Whatever the emotion of the moment, Reagan and Casey generally agreed. Casey seemed to understand Reagan's response to symbols. When opportunities arose—or were created—to assist anticommunist resistance movements, the question for Casey was not whether to help but how to do it—at once.

In his first months at the CIA in 1981, Casey was surprised by the sense of caution that pervaded every activity. He found that the agency's analytical efforts often addressed obscure issues. He undertook—successfully, by many accounts—to insure that the papers and estimates addressed the issues that White House and other policymakers would have to deal with.

To revive the clandestine service, Casey named a former Reagan campaign aide, Max C. Hugel, as the deputy director of operations (DDO). Hugel had no previous CIA experience, and Casey was strongly advised against the appointment. After two months on the job, Hugel resigned after publication of allegations about his previous business and stock dealings.

Casey has had operations veterans in the DDO post since, but he took a direct hand in the secret support operation to the Nicaraguan contras approved first by the president Dec. 1, 1981.

Casey and his deputies created the contra army, at its peak a force of about 15,000 guerrilla fighters. The CIA's controversial 1984 mining of Nicaraguan harbors was possible because Casey created the capability.

Inside the CIA many called it "Casey's War." As congressional support ebbed and flowed, Casey persisted. "He wanted the contras to win," said one associate, "and everything in his heart told him it was possible. But the pragmatic side told him it was impossible."

His "hands-on" approach to the Nicaraguan war was characteristic. Casey was an activist director who involved himself in many details. One of his former senior associates observed that Casey served, in effect, as his own deputy director, his own deputy for intelligence and for operations. Evidently, Casey never shared all the secrets he knew with anyone inside the CIA.

His passion created a "can-do" confidence within the CIA and the other intelligence agencies. Analysts and operators felt that if they took a chance and were wrong, Casey would back them up and take the heat himself as he did many times.

By law Casey is required to share his secrets with the congressional intelligence oversight committees. On this he balked, and never achieved the degree of rapport or candor that both Republicans and Democrats felt was necessary.

"Don't brief, limit disclosure," he once told a CIA associate, and then uttered an expletive to describe all members of Congress.

Casey suffered a number of setbacks and embarrassments. An agent recruited and trained on his watch for duty in Moscow—Edward Howard—betrayed important CIA secrets to the Soviets, then defected to Moscow. CIA plans to conduct preemptive strikes against terrorists appeared in the news media, as did a presidentially authorized covert operation to undermine the regime of Libyan leader Moammar Gadhafi.

But whatever problems he encountered, Casey retained Reagan's unflagging support. One White House official put it simply late last year: "Ronald Reagan loves Bill Casey."

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